

Session 14

Professional Judgment

Questions we will answer during this session:

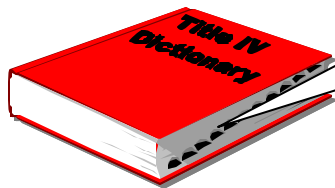
What is professional judgment?

How do you adjust Cost of Attendance?

How do you adjust Expected Family Contribution?

What are some other ways you can exercise professional judgment?

What is professional judgment?



Professional judgment – a *discretionary* action on the part of the financial aid office to address *unusual* circumstances that affect a student's ability to pay his or her educational expenses; must be *documented* in student's file

Discretionary: not required by law to use it

Unusual: not for across-the-board changes; only on a case-by-case basis

Examples of Documentation

1. _____

6. _____

2. _____

7. _____

3. _____

8. _____

4. _____

9. _____

5. _____

10. _____

How do you adjust cost of attendance (COA)?

Steps for Adjusting COA

- 1) Make the adjustment
 - change final COA; or
 - change method used to calculate COA; or
 - change a specific cost within the COA
- 2) Recalculate the student's need
- 3) Repackage student aid based on new need

COA costs to adjust using professional judgment:

- **tuition and fees**
- **books, supplies, transportation, and miscellaneous expenses**
- **room and board**
- **dependent-care expenses**
- **study-abroad expenses**
- **disability-related expenses**
- **employment expenses related to cooperative education programs**
- **student loan fees**

Adjusting Cost of Attendance

Stephen comes to you the day before school starts. He explains that his disability, which involves his leg muscles, has worsened considerably over the last few months. Stephen's doctor has ordered him to purchase a special wheelchair in order to get around campus and attend classes comfortably. He may also need additional pain medication. You already have some disability-related expenses built in to Stephen's cost of attendance.

With this in mind, answer the questions that follow.

1. **What would you collect from Stephen in order to document his file?**
2. **How would you adjust Stephen's COA to account for the additional costs? (Give the data elements you would adjust.)**
3. **Would you exercise professional judgment in this case? Why or why not?**

CASE STUDY

How do you adjust Expected Family Contribution (EFC)?

Steps for Adjusting EFC

- 1) Adjust EFC data element
 - can't adjust EFC itself, or method of calculation, only data element
- 2) Calculate adjusted EFC
 - EDEExpress calculation or hand calculation using need analysis worksheets
- 3) Recalculate Pell
 - if Pell changes, go to Step 4
 - if Pell doesn't change, skip to Step 5
- 4) Report adjustments to CPS
 - since Pell changed, need new official EFC from CPS to award aid
 - update ISIR (using EDEExpress or similar software)
- 5) Recalculate need based on COA-EFC
- 6) Repackage student aid based on new EFC

Adjusting Cost of Attendance

Larissa comes to you the day before classes begin. She explains that the father of her 3-year-old daughter is unemployed, and has stopped paying child support of \$500 per month. Larissa fears that this income reduction will make her unable to pay for any educational expenses not covered by financial aid. Her EFC is currently 420. She asks if there is anything you can do to help.

With this in mind, answer the questions that follow.

- 1. What would you collect from Larissa in order to document her file?**
- 2. How would you adjust Larissa's EFC to account for the loss of income? (Look back at the need analysis worksheets on pages 5 and 6 of Session 4. Use them to figure out which data elements to adjust.)**
- 3. Would you exercise professional judgment in this case? Why or why not?**

case study

What are some other ways you can exercise professional judgment?

Dependency Override

- Occasionally done on FAFSA; usually done on ISIR.
- A student that starts as independent can't be changed to dependent.

Certifying Additional Unsubsidized Loans

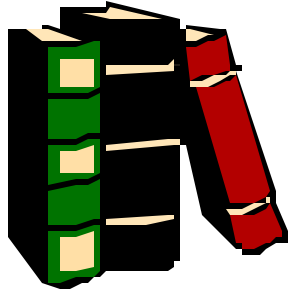
- for borrowers whose parents are unable to take out PLUS loans due to adverse credit, not for borrowers whose parents REFUSE to take out PLUS loans

Adjusting Satisfactory Academic Progress Requirements

- due to mitigating circumstances only

Declining to Certify a Student Loan Application or Certifying it for a Lesser Amount

- must be explained to student in writing



Resources Resources

★ *Federal Student Financial Aid Handbook:
Student Eligibility*

Answer **Key**

Documentation Examples

Letters from doctors, lawyers and employers; cancelled checks; copies of bills; copies of pay stubs; copies of tax documents; worksheets the FAA completes for COA or EFC recalculations or for repackaging

Case Study #1 – Adjusting COA

- 1) **doctor's notes; doctor bills; proof of expense of wheelchair and medication; evidence that expenses won't be covered by insurance**
- 2) **adjust COA itself; increase disability-related expenses, miscellaneous expenses, personal expenses**
- 3) **Answers will vary**

Case Study #2 – Adjusting EFC

- 1) **proof of child support payments; proof of requirement that father must make payments; proof of monthly expenses; Larissa's pay stub**
- 2) **adjust Larissa's AGI or other income elements**
- 3) **Answers will vary**